



OFFICE OF
INSURANCE COMMISSIONER

In The Matter Of:

UNITEDHEALTHCARE INSURANCE
COMPANY,

An Authorized Insurer.

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No. 11-0173

CONSENT ORDER
LEVYING A FINE

Comes Now the Insurance Commissioner of the State of Washington, pursuant to the authority set forth in RCW 48.02.080 and RCW 48.05.185, and having reviewed the official records and files of the Office of the Insurance Commissioner, makes the following:

FINDINGS OF FACT:

1. UnitedHealthCare Insurance Company ("United") is a life and disability insurer authorized to do business in the State of Washington.
2. On February 12, 2010, the Office of Insurance Commissioner ("OIC") Consumer Advocacy Division received a telephone call from a Washington enrollee of United who sought to initiate an independent review of a coverage dispute with United. The enrollee had received a letter from United advising in part as follows:

"If you are not satisfied with this decision, you or your authorized representative may, within 180 days from the date of this letter, request an independent medical review through the Washington Office of Insurance Commissioner. To initiate this process, call or write to the Washington Office of the Insurance Commissioner at: Office of the Insurance Commissioner...(address and phone numbers omitted)."

3. United identified multiple individual Washington enrollees who received similar letters advising them to call or write to the OIC in order to obtain independent medical review of an adverse decision by United.
4. Under Washington's rotational registry system, independent review of a health carrier's adverse determination is initiated through the carrier, not the OIC, and the carrier, not the OIC, is responsible for assigning and contacting the correct independent review organization.

Based upon the foregoing Findings of Fact, the Commissioner makes the following:

CONCLUSIONS OF LAW

1. RCW 48.05.185 authorizes the Insurance Commissioner to impose a fine in lieu of the suspension or revocation of a company's license or certificate of authority.
2. Pursuant to RCW 48.43.535 and WAC 284-43-630, the Insurance Commissioner has established a rotational registry system of certified independent review organizations (IRO) pursuant to which carriers must select and assign the reviewing IRO in the rotational manner described in the rotational registry system.
3. Pursuant to RCW 48.43.530(5)(g), a carrier's written notice of its resolution of an enrollee's appeal must explain the enrollee's right to request independent review of the carrier's decision under RCW 48.43.535.
4. By misdirecting enrollees who wished to obtain review by an IRO to the OIC rather than to United to initiate the review, United violated RCW 48.43.535, WAC 284-43-630, and RCW 48.43.530(5)(g).

CONSENT TO ORDER

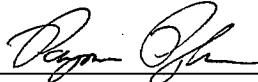
NOW, THEREFORE, United consents to the following in consideration of its desire to resolve this matter without further administrative or judicial proceedings, and maintain a positive working relationship with the Office of Insurance Commissioner, and the Insurance Commissioner consents to settle the matter in recognition of United's full cooperation and candor in addressing this matter and in consideration of United's payment of a fine and such other terms and conditions as are set forth below:

1. United admits the foregoing Findings of Fact and Conclusions of Law as they pertain to these facts, consents to the entry of this Order, and waives administrative or judicial challenge to the OIC's actions under this Order.
2. By agreement of the parties, the Insurance Commissioner will impose a fine of \$52,000 and suspend \$26,000 of that on the conditions that United commits no further violations of the Independent Review Organization ("IRO") statutes and regulations that are the subject of this Order for a period of two years from the date this Order is entered.
3. Failure to timely pay the fine and to adhere to the conditions shall constitute grounds for suspension and/or revocation of the Company's Certificate of Authority and shall result in the recovery of the entire fine, including both the suspended and unsuspended amounts,

through a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington.

EXECUTED this 10th day of August, 2011.

UnitedHealthCare Insurance Company

By: 

Printed Name: Payman Perzhan

Typed Corporate Title: Deputy General Counsel


ORDER OF THE INSURANCE COMMISSIONER

NOW, THEREFORE, pursuant to the foregoing Findings of Fact, Conclusions of Law, and Consent to Order, the Insurance Commissioner hereby orders as follows:

1. UnitedHealthCare Insurance Company is ordered to pay a fine in the amount of \$52,000 of which amount the sum of \$26,000 is imposed, and the amount of \$26,000 is suspended for two years from the date of entry of this Order ("Suspension Period") on the condition that the Company commits no further violations of the IRO statutes and regulations that are the subject of this Order for the Suspension Period. The Company's failure to timely pay the fine and to adhere to the conditions shall constitute grounds for suspension and/or revocation of the Company's Certificate of Authority and shall result in the recovery of the entire fine, including both the suspended and unsuspended amounts, through a civil action brought on behalf of the Insurance Commissioner by the Attorney General of the State of Washington. The Company's adherence to the conditions of this Order for the duration of the Suspension Period shall thereafter bar any recovery of the suspended amount.

ENTERED AT TUMWATER, WASHINGTON, this 15th day of August, 2011.

MIKE KREIDLER,
Insurance Commissioner

By: 
Charles D. Brown
Staff Attorney
Legal Affairs Division